The Company's product line, which has remained fairly steady throughout its history, is composed of a **full line of home medical equipment**. The primary lines are oxygen-related products (51% of sales), respiratory therapy products (23%), and mobility products (9%). The Company provides in-home oxygen services throughout the state of XXXX. The remaining 17% of revenue is derived from sales of hospital beds, lift chairs, scrubs, diabetic supplies, ostomy products, and related items.

The Company's competitive advantage is that it is a contracted sole-source provider for oxygen concentrators for Medicaid patients throughout XXXXX. The Company has been the contracted provider since the inception of the contract back in 1983. The contract length is three years with two, one-year extensions at the State's discretion. The extensions have been granted every time without question, so in effect, it is a five-year contract. The current contract began in July 2008, which marked the beginning of a new five-year period.

The Company serves more than 20,000 customers. The customer base is composed of Medicaid (41.1% of 2009 sales), Medicare (27.3%), other insurance companies (17.5%), private pay (11.2%), commercial sector clients (2.8%), and managed care (<1%). No single customer generates a significant portion of annual sales.

The Company currently operates five retail branches throughout XXXXX and one in Colorado. Sales topped $8.52 million in FY 2009, and base year 2010 sales are expected to surpass $10 million. Through an experienced management team and employee base of 77 full-time workers, the Company is uniquely positioned for impressive growth.

Trends

- Historical sales increased from $6.24 million in 2007 to nearly $8.53 million in 2009, representing a compound annual growth rate of 16.9%.
- Sales for base year 2010 are estimated to be $10 million.
- Sales are projected to grow at a compound annual rate of 5% per year over the next five years to at least $12.76 million in 2015.

For further information regarding **Client #40156** you are invited to contact:

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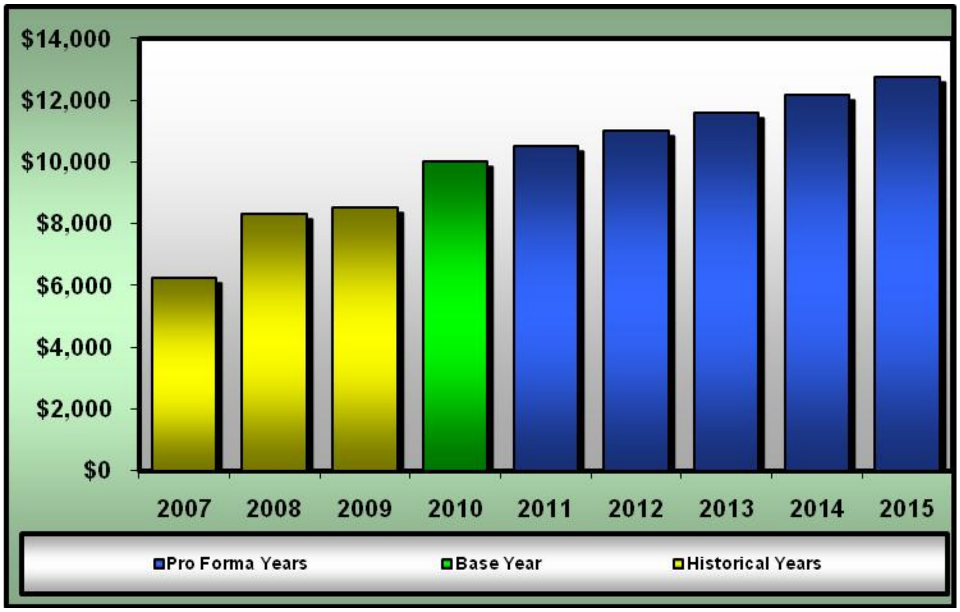
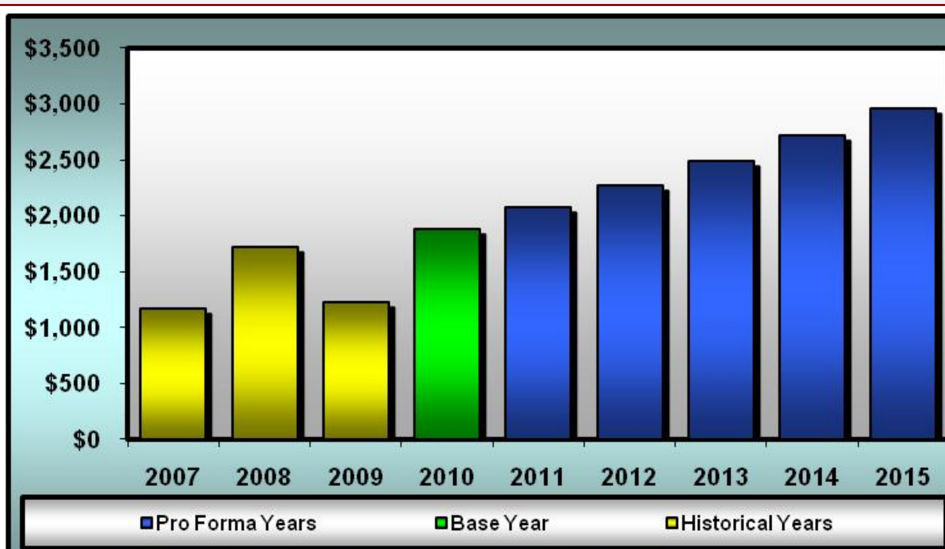
Revenue Trends ($000s)



Profitability Trends

- Adjusted EBITDA* for 2009 was $1,233,000 (14.5% of revenue).
- EBITDA for base year 2010 is expected to be $1,887,000 (18.9% of revenue).
- Over the next five years, EBITDA is expected to increase to approximately $3 million (23.2% of revenue).

Profitability Trends ($000s)



*Earnings Before Interest, Taxes, Depreciation, and Amortization